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ABSTRACT

Distance educators find themselves in a growth segment of the education industry. Distance educators must understand why the industry is growing. This growth presents a number of challenges. Four contributing factors are: (1) changes in educational delivery and regulations; (2) changes in technology; (3) changes in society; and (4) environmental pressures on education. These factors have resulted in an increasing demand for courses and programs; an increasing sophistication of clients; pressures on resources and shifts in demand; a rise of special interest groups; and an overall demand for improvement in programs, courses, and delivery. In response to these challenges, distance educators must conduct both external and internal analyses of their institutions to identify problems and resources, with a focus on improving the image of the organization and its programs, courses, and instructors, and on providing services that adequately meet clients' needs. "The Marketing Decision Environment," a tool for the review and analysis of an organization's structure, can be utilized to accomplish these goals. Starting with the external environment, the four key external variables are the market, competition, government, and economic conditions. The internal side includes organizational constraints such as goals, objectives, and resources. Allocation decisions are made based on the objectives which have been set and the external environment that the organization faces. Creative management using such tools can result in more efficient use of resources, and expanded research can lead to a better understanding of clients, which should improve courses, delivery systems, and client satisfaction. (22 footnotes) (GL)

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THE MARKETING & MANAGEMENT OF DISTANCE EDUCATION: CHALLENGES OF THE 1980s and 90s

by

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I. INTRODUCTION

First, thank you for asking me to speak on marketing, marketing management, and the management of distance education. A number of the important topics that I will be addressing in this paper have been introduced in some other conference papers.[1] For example, the paper preceeding mine discussed an environmental approach to distance education.[2] I feel strongly that if people are not sensitive to their environment they will not do a good job of serving their clients or developing products which meet the needs of their clients.

The major objective of this paper is to stimulate your thinking, to give you a different perspective on your problems, some new insights into your environment and offer some approaches to solutions you had not considered. Perhaps the place to begin is to present you with several questions to consider while I am discussing this paper.

First, where is distance education going in the 1980s and 90s?

Second, how are you going to do a better job with the same level or diminished resources?

Third, what qualifications should the people in your organization possess and what kind of people should you be trying to hire?

Fourth, what is the job distance education should be doing in your country?

Fifth, what are the challenges distance education faces in the 1980s and beyond?

This paper is organized into four major sections as you see in Figure 1.

The unifying theme of this paper is an overriding concern for the welfare of our clients, the students of Distance Education.

Figure 1

PAPER OUTLINE

I. INTRODUCTION
II. THE ENVIRONMENT OF DISTANCE EDUCATION
III. FACING THE CHALLENGES OF THE 1980s and 90s
IV. CONCLUSIONS AND SUMMARY

You will observe from my paper's title and the questions that I have posed that my concern is to help you face the challenges that are seen for distance education over the next decade. It is desirable to review the current environment of distance education and discuss the challenges you face. Then, we will discuss finding new opportunities for distance education while at the same time trying to better serve your current clients, perhaps with a reduced budget.

Two concepts that you should find helpful are, "The Marketing Management Process", for problem solution and "cost benefit analysis". The marketing management process stresses the need for accurate, current, information, the setting of objectives and the planning process. As we are all short of money today we have to make the funds we have go as far as possible and be as efficiently used as possible (control costs and increase benefits).

Finally, I shall present the paper's conclusions which I hope you will find thought provoking and challenging.

II. THE ENVIRONMENT OF DISTANCE EDUCATION PAST - PRESENT - FUTURE

A. The Background of Change[3]

As educators you are fortunate because people working in distance education face an expanding market. The paper, "The Trend Setter",[4] supports this statement, as do other speakers.[5] This is in sharp contrast to many other areas of education today. Distance educators find themselves in a "growth" segment of the education industry. But, as growing industry segments normally have some problems, let's discuss what some of these problems or challenges might be.

1. Growth Industry: Understanding Why You Are Growing!

First, when you are in a growth segment you have to understand why your industry segment is growing. Is it growing because people do not have other alternatives, in which case as soon as alternatives come along you are going to lose your market? Or, do your customers really need and want your services? If you ask this kind of question you will be in a much better position to serve your clients, develop new products and services and hire people who can actually help you serve your current and potential markets.

2. Changes in Educational Delivery and Regulations

There are some radical changes occurring in the delivery of "a standard" education. School systems are moving from the boundary concept, for neighborhood schools, to special program schools serving regions or entire districts. These changes coupled with school based budgeting and other funding changes are forcing schools to "market" themselves and their programs.[6] Over the last three years I have given two papers and two workshops on the marketing of education,[7] indicating current interest in this topic. In the time of the neighborhood school, the boundary system gave principals and teachers a local monopoly and there was no need to market their schools or programs. They had a captive audience.

Listed here are a few additional examples of delivery and regulation environmental issues:

i. Funding issues focus on who is to pay for education and what programs and schools should be supported. A critical task which must be performed by distanced educators is to inform their granting agencies as to the needs of their clients and potential clients for distance education; to educate these grant controllers on the growth in numbers and changing needs of your clients and your students. If this task is not done well, supported by good research, the funding problems of distance education can become critical.

ii. The home school concept favors distance education because the more people who educate their children at home, the greater the demand and opportunity for distance education.

iii. Employment issues such as minorities, advancement for women, tenure, gay rights and AIDS testing, add challenges to maintaining management flexibility and accountability as the system's needs change due to evolving internal (organizational) and external environments.

iv. Definition of "Who is the Client?". The educators and managers active in distance education must face the question of who their clients and students are, and why they are enrolled in distance education courses.

3. Changes in Technology (Production and Delivery)

Over the past ten years there have been many changes in technology and the cost of this technology which have affected both the production and delivery of distance education. A number of the conference papers[8] discuss some of these changes. It is important to stress both delivery and production of materials. However, because of the immediate and direct effect delivery has on distance education clients and because the clients are in a better position to judge delivery service than course content, in the short run delivery is more important than content.

4. Changes in Society (A Few Current Issues)

Issues such as changes in the status of women, the family, single persons, work satisfaction, immigration, and resource direction, are very important social issues that will have direct positive effects on the demand for distance education. If distance educators deal wisely and effectively with their clients, generating customer satisfaction, they can avoid the underfunding problem[9] and cause society to direct resources to their organizations. Recognize that the historic education system may do all it can to prevent this redirection and before large scale redirection can occur, distance education must establish an improved image in the minds of both clients and political leaders.

Managers of distance education must clearly see, even anticipate, changes in market demand, funding, and technology, that are occurring in their environment. Insensitive managers often do not see or understand the changes occurring and even good managers often have difficulty assessing the impact of these changes. This is the reason excellent marketing research is required to provide much needed information.

As managers and educators interested in distance education you should be sensitive to the changes that are occurring in your environment. This means that you must have identified the several publics and other variables that effect your job and organization. In addition you must have an open mind, do not fall prey to past practices or your personal biases, and use good current information when you plan and make decisions.

5. Environmental Pressures on Education:

In Canada, there are eleven governments each with their own educational agenda and special interests. Possibly our colleagues from other countries have similar problems. Growing enrollments, the recognition of special student needs and reduced budgets are placing very real stresses on the world's educational system. Therefore, it makes sound economic sense for educators to look to marketing and management for help in facing these problems.

B. The Pressures For Continued Change[10]

Over the next five to ten years, through the 1980s and early 1990s, the environmental forces discussed in Section A will exert pressure for continued change in your environment. There will be social and political change and reform. Also, there will be a large number of people dissatisfied with their jobs, people who are looking for ways of improving both their economic position and life style. Immigrants are one example of such a group of people.

1. Changes in Individuals Lives

How can people achieve change in their lives? Distance education is one of several viable alternatives that can be pursued by the people looking for change in their lives. This observation suggests that distance education has a very promising future if you are sensitive to the needs, abilities and limitations of these potential clients. You have to develop not only products (courses and programs) but also delivery systems that meet the needs of your expanding markets.

2. General Approaches to Researching and Managing Change

Of the many references that support this section, Strategic Marketing for Educational Institutions,[11] by Kotler and Fox will give you a background for researching and better managing your responses in your changing environment.

3. Three Examples of Continuing Pressure

i. Sensitivity to the Need for Institutional Change (adapting programs). Several of the section's references point out specific issues or problems. For example, the article, "Death of the University"[12] suggests that if universities do not adapt to the needs of potential students they will lose enrollment to the point where the public will stop funding them. The principal fighting for students is a symptom of educational change; but if our institutions do not adapt, if structures remain rigid in the face of environmental changes, these institutions will die.

ii. Illiteracy: A Social and Economic Problem

Illiteracy from the view of Canadian advertisers is a major problem.[13] The advertising industry has been criticized for setting their ad standards too low. But if the average TV viewer only has a sixth grade vocabulary, and many viewers can't read, what can you expect from the advertisers? Again, this is a problem where distance education, tactfully and innovatively handled, could make a real contribution to a social-economic problem.

iii. Aboriginal People: (Illiteracy, language, lifestyle and society)

Several references in this section suggest areas where special distance education programs might be of assistance. For example, "Native Americans Adrift In Their Own Land"[14] states that aboriginal people in the U.S. are out of the mainstream of society. This problem also exists in other countries, like Canada and Australia. Here is another current concern where innovative sensitive distance education could help.

4. The Access To and the Usefulness of Information

In the face of these social, economic, and structural, pressures, distance educators should recognize that they are in a critical position, for while knowledge is power, the access to and the control of access to knowledge is

even more important today. Distance educators, therefore, have a powerful role to play in their countries and when granting agencies push for funding cuts this unique position should be stressed. Distance education can be a very positive, cost effective force in a country, because it gives a populace access to information which can positively change their lives and improve their economic position.

There is, however one additional concern; people must not only have access to information, they must be able to use it. In Canada, for example, there are aboriginal language problems and bilingual French-English concerns. Educators must be sensitive to the issues of providing information in a form that people can both understand and use.

Educators must also have direction from the populace as to how non-official languages should be dealt with and what pressures should be placed on individuals to learn an official language(s). Market researchers have long been sensitive to this issue (access to and the usefulness of information), for they recognize that having data and converting this data into understandable and useful information are two very different conditions.

C. The Problems of Growth and Environmental Change[15]

This section will summarize and integrate the material discussed in sections A and B above and ask how do you adapt distance education to meet these problems and challenges.

1. The Increasing Demand for Courses and Programs

Distance education faces increasing demand for its courses and programs. You are in a growth industry and with wise management this growth will accelerate over the next ten years. We have discussed the reasons for this growth in sections A & B. The immediate reaction from this growth will be pressure on your staff and equipment, and pressures for additional funding. Because funds are in short supply, and I expect this situation to continue, you must find ways to make your budget more cost effective. Costs can be controlled and budgets made more effective, in the long run, by basing your decisions on better information and improved management systems. However, you will often have to spend money to save and generate more money.

2. The Increasing Sophistication of Clients

Distance educators must deal with clients who can be categorized as buyers, users (students), influencers, and decision-makers. If, when decisions or policies are being discussed, only students are considered, you have overlooked a number of key publics such as parents, student peers, and teachers. Therefore, you are in danger of not adequataly serving your expanding market. But there is an additional problem. As the clients gain education and communication skills, they become more articulate, more willing and able to push a point when they feel they are not getting satisfactory service. In addition, they will demand an ever-increasing level of sophistication in their courses. This will put pressure on educators to update course materials more frequently, which in turn requires more funding.

3. Pressures on Resources and Shifts in Demand

Even though demand for service is high and increasing, you must be prepared for shifts in demand. For example, distance educators might develop a program to reduce illiteracy only to find some other national agency pre-empts remedial reading programs. Wise managers will try to stake out clearly their claim to programs and diligently watch for potential poaching, conflict, and/or shifts in demand. In these times, duplication of effort is unwise and costly.

Some of these changes, like the shift in population from rural to urban and from blue to white collar jobs, will effect both locational and course demand. The wise manager will attempt to anticipate these changes.

4. More Vocal Clients and the Rise of Vocal Special Interest Groups

The increasing sophistication of clients, especially students, and a more militant posture on the part of many individuals mean that in the delivery of courses you can expect more complaints. You should set aside funds to deal with these complaints.

Also, there are a number of vocal special interest groups that you will be asked to serve, such as the handicapped, immigrants, and aboriginal people. Due to the unique needs of these groups, special courses and programs may be required. This is an opportunity for innovation but dealing

adequately with these groups can be expensive. Because these groups are vocal, if you are unable to do a good job for them, it is often wise to do nothing until adequate funding is available.

5. The Demand For Improvement: Programs, Courses and Delivery

Many people are challenging educators by asking the question, "Are we educating people well?". This can be an embarrassing question and it is also a very difficult question to answer. What benefits, individual and societal, are we gaining for our increasing education costs? Bok discusses the challenges educators face in his article "Academie Must be Wary of Hazards Without and Within".[16] If we expand service and increase quality we are accused of over spending but, if we cut budgets and reduce service and quality we will reap a harvest of unhappy clients. People who have not reached their potential may not be paying taxes and may not be equipped to function in a complex society.

As has been pointed out, distance educators face demands for delivery-service improvements as well as demands for course content and selection improvements. Can we do more with less?

Perhaps one source of untapped information that distance educators can develop is the theory and application of advertising and promotion (Marketing Communication) because the aims of these two fields are similar: communication, at a distance, at a reasonable cost. This thought may be repugnant to some, but when you consider how concerned "good" marketers are about their clients the reasoning behind this statement should become clear.

Figure 2.
Three Levels of Consumer-Responsive Institutions

	Unresponsive	Casually Responsive	Highly Responsive
Complaint System	No	Yes	Yes
Surveys of Satisfaction	No	Yes	Yes
Surveys of needs and preferences	No	No	Yes
Customer-oriented personnel	No	No	Yes

Source: Kotler and Fox, Strategic Marketing for Educational Institutions Prentice Hall, Inc., 1985, p. 29.

There may be a second way to do more with less. Do you have a client response mechanism? A system not only for dealing with consumer complaints but also for investigating them (see Figure 2). Kotler and Fox[17] suggest several levels of sensitivity to clients, based upon which of several systems you have in place:

i. complaint system,
ii. surveys of: student, faculty, parent, alumni, granting agency - satisfaction,
iii. survey of needs and preferences: students, employers,
iv. client-oriented personnel and systems, and
v. client-oriented literature and response forms.

These systems can be invaluable sources of data for improving your operation and for developing new courses. But please notice the difference in orientation of the several systems. Does the system only react to complaints, or does it try to generate responses? How many of the institution's publics (clients) are tapped? Finally, does the system ask about what it is doing or what the client would like to have it do? If organizations are really responsive to their clients, they concentrate their effort on asking questions about what their clients (publics) would like to see them provide.

Unfortunately, educators by training, are often not client-oriented. Educators think they know exactly what their students need and they give it to them. If educational organizations do not become more client-oriented, some institutions will be forced to close.[18] The key to long term success in today's environment is adaptation, modification and development. In order to adapt, modify and develop, you need timely and accurate information on the changes occurring in your environment, you need good marketing research.

III. FACING THE CHALLENGES OF THE 1980s AND 90s

Your Unique Situation: Internal and External Factors (The Situation Analysis)

What can you do about facing the challenges we have discussed? The first step is to identify the problems of your organization. Then you must honestly assess which of the problems you have the resources, to resolve. Because you

have limited resources you must establish a ranking for the problems so that you know in which order the problems should be approached.

Problems you feel you have the resources to resolve become opportunities. You must identify your organizational resources at the same time that you are identifying your problems. This leads us into the first of the four subsections of this topic of "Facing the Challenges of the 1980s and 90s", that deals with your internal situation or the state of your organization.

One caution must be introduced. Since each organization is unique, one variable can, at a particular point in time, assume a dominant role. Funding, technology, patents and organizational harmony, are all examples of variables that can assume dominant roles in an organization. In your organization it may be some other variable or combination of variables that are dominant at any given time. Experienced managers should attempt to order the variables they see as important in understanding their organization and its unique environment, but they may require research to assist them in completing this task.

A. An Assessment of Your Resources (The Internal Situation)

An assessment of an organization's unique situation can be approached by dealing with its internal environment, Subsection A, and its external environment, Subsection B. To begin the assessment, you must identify the resources an organization has at its command as well as its problems and constraints. One of the key assets of an organization is its image.

1. Organizational, Program, Course and Instructor Image.

What do people think of your organization and its programs? What image do you project to your funding agency(ies), to your clients, and potential clients and to your secondary influencers: the people and organizations who support your clients; teachers, parents, school systems, and businesses? A positive image will help your organization market itself, its programs and courses. If your organization image is poor or inaccurate, you had better think very seriously about how you can constructively correct this problem(s). The reason image becomes such a concern is that when clients buy your product or service, your organizational image is part of what they buy. How much confidence are clients going to have in a product that is delivered

by an organization they do not trust? Assess your organizational image and ask if your image provides you with a positive asset which improves the attractiveness and credibility of your organization, its programs, courses and instructors.

2. The Total Product (Service)

Do you know why your clients are actually taking your courses? Is it your image or a combination of many reasons? What are clients (students) really buying when they take your courses? Is there a gap between what you are providing and what the students actually want? This can be an embarrassing question, especially if you do not know the answer.

If you really understand why your clients are taking a course perhaps you can design a better less expensive course. You may be providing the students with extraneous or obsolete materials that were necessary at one time but are now unnecessary and, by eliminating the unnecessary materials, you reduce your costs and make the remaining materials more effective, thereby helping the student.

Figure 3 helps you to think about the components of the concept of "Total Product": a) Core Product (your course), b) Tangible Product (how you package your course) and c) Augmented Product (the delivery and product [course] support you provide. Do you send the student a questionnaire on the course after he has completed it, asking for his comments?).

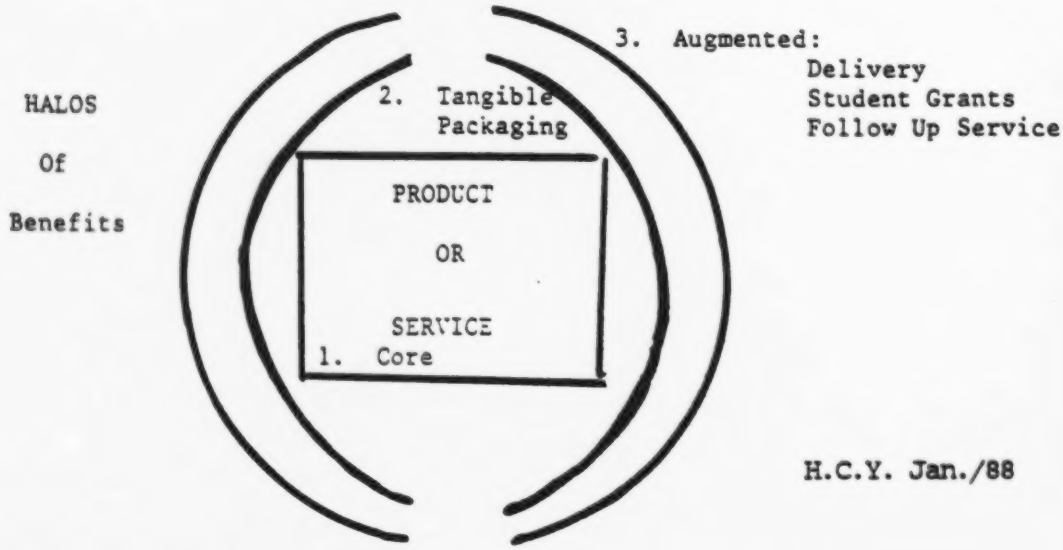
In assessing the concept of Total Product you would not only think about the product from your perspective but also from that of the student. How costly is the course to the student in terms of ease of access, materials packaging, and access to help? What are the benefits associated with completing a course, its recognition or credibility? It is COURSE IMAGE that offsets the student's investment of time, inconvenience and dollars (student opportunity costs)?

Finally, in thinking about your product, you must assess your total program, individual sub-programs (perhaps by subject areas or course concentration) and then individual courses. Your Total Product is really the summation of all your courses and services, but the difficulty is that any one student sees only one or possibly a few courses at a time, while your funding agencies see only your total cost of operation.

Figure 3

TOTAL PRODUCT

Three Product Benefit Levels



Because of the changing environment which you face you must be prepared to ask, whether your mix of products should be changed. The criteria for assessing whether courses should be dropped or added should be reviewed frequently. In assessing the strength of an organization, the viability of its product mix is one, if not its dominant, asset.

3. Other Resources

Once you have assessed your image, and your product(s), you should assess several other important resources:

i. Your people are a critical resource and the qualifications of those people depend in large measure on what product-service mix you are providing.

ii. Organizational harmony or team work depends upon your people and their leaders.

iii. Governmental mandate(s) and/or patent(s) give a form of monopoly control. Wisely used, this can strengthen the organization and allow strong marketing activities, but if the organization hides behind its patents and/or mandates, without producing a good product, it can find its shield soon turns to a shroud.

iv. Funding, funding sources and the generation of customer satisfaction are extremely important. As revenues from courses (product sales) grow the generation of customer satisfaction depends upon the quality of your product and how effectively it is delivered. This means that for course revenues and customer satisfaction to continue to grow, sales, and benefit analysis are needed.

v. The technology of teaching, material preparation and delivery is improving and one of the management challenges of the 1980s will be to balance the cost of replacing old technology with the benefits to be gained from purchasing and using new technology (cost vs benefit).

4. Time Analysis

This analysis must look at current operations (the short run) and also estimate the passage of time so that the effect of the future can be considered.

B. An Assessment of Your External Environment (The External Situation)

After the organization has been assessed internally you must look at the organization's external environment. While this environment is complex, there are several key questions to ask and only eight critical variables to consider. These eight variables subsume many of the less critical variables. Many of these variables were introduced in Section II and were discussed in Section III. A.

1. The Market: Understanding the Aggregate and the Individual

There are a number of questions that must be asked about your market(s) so that you can adapt your product mix to the needs and wants of your market(s). To understand your market you should look at both the aggregate market and the individual (your students, clients, and other publics).

i. What is your market, today, tomorrow and over time?

For budget and forecasting purposes you should understand your aggregate market. You should look for trends and use patterns so that you can effectively allocate your resources. However, to understand your market and your clients' wishes, you must attempt to put a face on your composite (typical client and student) buyer and user.

ii. Who are your clients and your publics?

In breaking down your market, recognize that it is comprised of many segments and components. You will encounter buyers (parents, businesses, school districts and students), users (students), influencers (peers, school personnel, parents, businesses), and decision makers (any person with power over the user, including the user). In addition you can classify your clients in terms of reasons for using your services: demographics, life stage, etc. The key is to try to identify the variable(s) that will allow you to recognize who is a potential student and who is not. If you can identify groups of potential clients and publics, you can find ways of promoting your service to them. In effect, market to them more efficiently, that is, recruit more students per promotion dollar spent.

It is important to cultivate your publics because they can assist you in difficult times. For example, positive letters from students, alumni, and parents can exert a powerful influence on funding agencies, especially when funding and granting agencies find the dollars spent on distance education go further than dollars spent on other educational institutions.

iii. Do You Understand Your Market(s)?

These questions are suggested to help you to understand your market(s).

- Why do students use your courses? How do they select courses?
- What products and services do your present and potential clients (students) want and why do they want them?
- What products do your granting agency(ies) want you to provide?
- What products and services do your clients perceive you to be providing?
- Is there a product gap? That is, is there a difference between what you provide, what your clients think you provide, and what your clients would like you to provide?
- How would students like to see your courses and services delivered to them? Why? Considering your funding, what is practical?
- What market resistances do your distance education products face and why have these resistances occurred?
- How can the market resistances to your products (courses, programs and services) be broken down (reduced or eliminated)?

Combining the information generated in Sections A, B and C, you should be able to identify who is buying and influencing product use, your market potential, why clients are buying and what they would like to see in your total product (service) mix.

The following five sections are not developed as completely as The Market (Section 1), but are included in order to stimulate thought and indicate the variables which should be considered for a complete analysis (see the Marketing Decision Environment, Figure 4).

2. Competitors: Who are they, what do they offer and what can you learn from them? Are they a real threat?

3. What is the role of government (all levels) in regulating, buying and funding distance education. Are there special granting or funding agencies in your environment that deserve a special marketing program?

4. What is the impact of the current economic environment on distance education? Will this impact change over time by area or client group or public sector?

5. Technology: How will new technology affect your operation and funding requirements in the short and longer-runs?

6. Other important external variables pertinent to distance education are: political-legal environment, and social-cultural environment and ecology.

C. The Marketing Decision Environment: A Tool for the Review and Analysis of Your Organizational Situation.

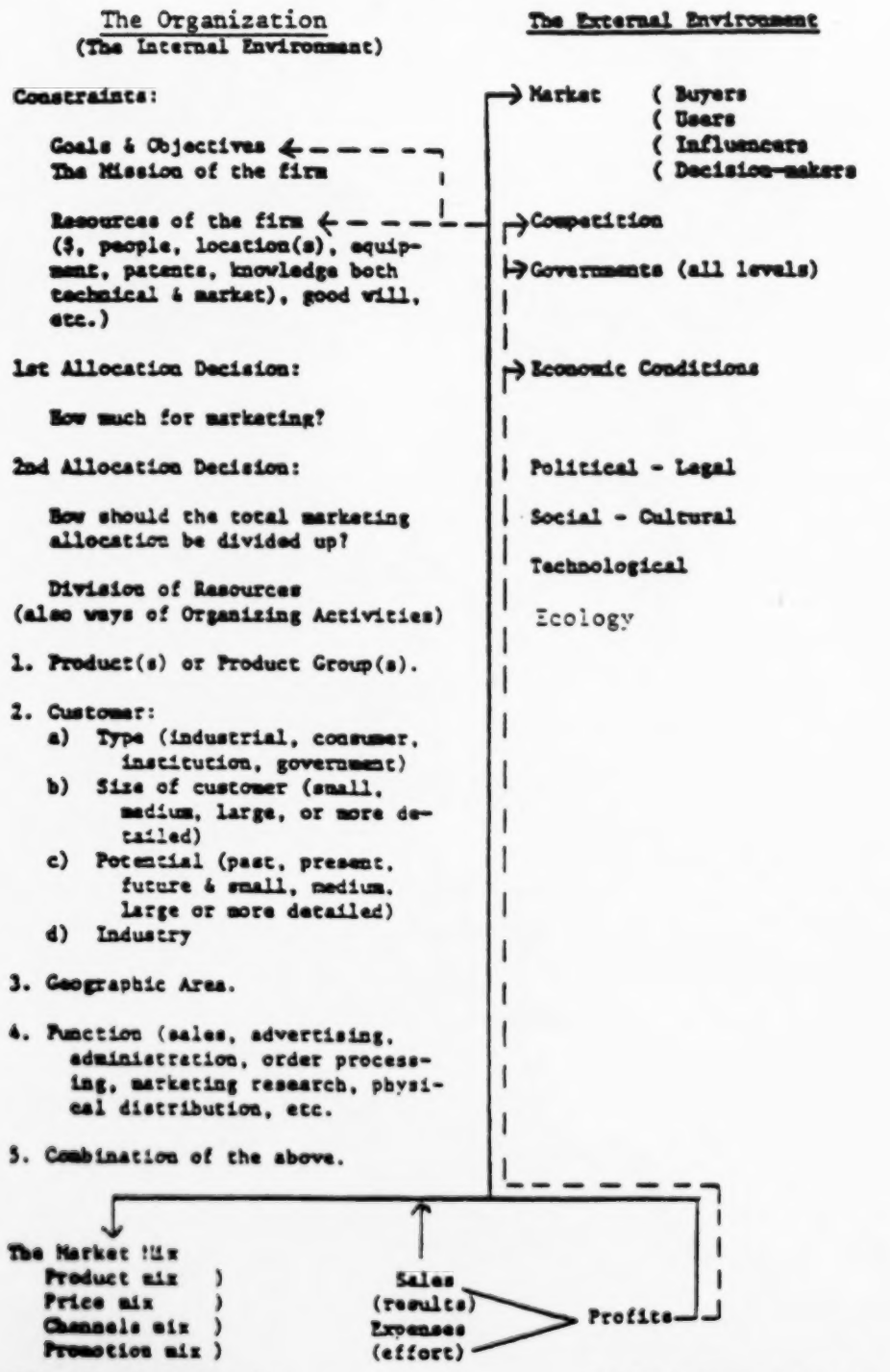
Figure 4 presents the "Marketing Decision Environment" which can be used as a guide in developing a situation analysis for your organization. The diagram is divided into the internal environment (your organization) and the external environment.

Starting with the external environment the four key external variables are listed: the market, competition, government (all levels) and economic conditions. Each of these variables was discussed and each can be further subdivided when appropriate. In addition four other variable categories are suggested: political-legal, social-cultural, technological and ecological. On the organizational or internal side you should start with organizational constraints such as goals, objectives and resources. It is important to have a mission statement because this formal statement of your long-run objectives gives direction to your organization and keeps it on track, giving focus to its activities.

There are a series of allocation decisions that need to be made based on the objectives you have set and the external environment you face. You can organize marketing and educational activities in a number of ways such as grouping activities by products and/or customers and/or geographic area(s) and/or function to be performed, for example such as material preparation and course research and development. Normally, these organizational methods are used in combination, so that English courses (products), for elementary students (class of customer), for students living in region X (geographic), might be handled by the same instructor, researcher or educational manager.

Figure 4

The Marketing Decision Environment


The Organization
(The Internal Environment)
The External Environment
Constraints:
Goals & Objectives
The Mission of the firm
Resources of the firm
($, people, location(s), equipment, patents, knowledge both technical & market), good will, etc.)
1st Allocation Decision:
How much for marketing?
2nd Allocation Decision:
How should the total marketing allocation be divided up?
Division of Resources
(also ways of Organizing Activities)
1. Product(s) or Product Group(s).
2. Customer:
a) Type (industrial, consumer, institution, government)
b) Size of customer (small, medium, large, or more detailed)
c) Potential (past, present, future & small, medium, large or more detailed)
d) Industry
3. Geographic Area.
4. Function (sales, advertising, administration, order processing, marketing research, physical distribution, etc.
5. Combination of the above.
Market (Buyers (Users (Influencers (Decision-makers
Competition
Governments (all levels)
Economic Conditions
Political - Legal
Social - Cultural
Technological
Ecology
The Market Mix
Product mix)
Price mix)
Channels mix)
Promotion mix)
Sales (results)
Expenses (effort)
Profits
(The effort allocated to each mix can be varied, changing total market mix, but changes will also change expense and effect.)
Feedback from activities
- short-run
- long- run
(not completely shown because of complex interactions)

To develop marketing strategy marketers use the marketing mix. This concept is comprised of the product(s) you wish to market, the price of the product, (what it costs the student), your channel of distribution, (how you get the product to your student) and then your promotional efforts (how you tell clients about your programs, courses).

D. Balancing Your Constraints and Resources! (Problems, People, Patents) Against Your Present and Future Challenges and Opportunities[19]

In management we often have to balance organizational constraints and resources against our problems, in order to determine our opportunities. We defined an opportunity as a problem we had the resources to resolve. An opportunity can also be defined as a gap between what you are currently doing and what you or your clients would like, providing you have the resources to close this gap. However, as an organization normally has limited resources, you can't close all the gaps or solve everyone's problems. If you try to do too much, you will do few of the jobs well. Your organization should not over extend itself.

1. The Planning Process is often Circular. Figure 5 describes some of the key steps in an ongoing planning process. The figure shows that you must balance off the objectives you initially set against your ability to accomplish them. The final reformulated objectives become the basis for evaluation and the evaluation data plus good marketing research becomes the basis for setting "New" objectives.

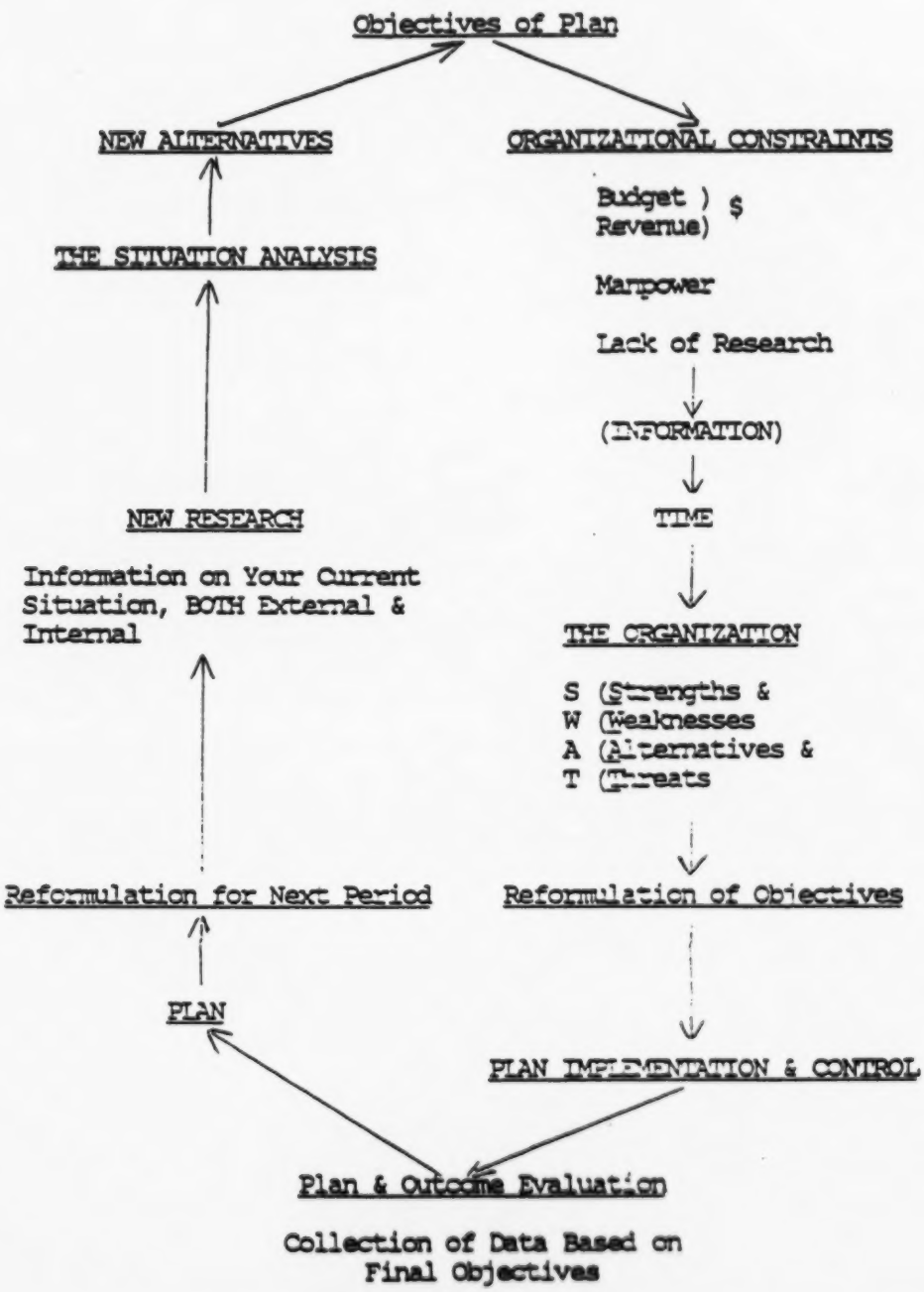
2. The NEED for GOOD Research: Problem Formulation -> Data Sources -> Data Collection -> Analysis -> Information -> Conclusions -> Reporting. The need for good current research information with which to understand your environment, to plan and make decisions has been stressed. Good research is expensive and great care must be taken in defining the problem to be researched. Good research pays off when budgets are limited because it can make your remaining dollars more effective.[20]

Good research requires that:

i. The research problem be well defined,
ii. The collected data be converted into good information,

Figure 5

The Planning Process Is Often Circular



Your last PERIOD PLAN PLUS RESEARCH becomes BASE for the next plan

iii. A report be written so that a record is kept of the information generated and of the project (what you did and why you did it). These reports provide a written heritage for further research and can often reduce the cost of future research.

3. Balancing of the Need for Information (Information's value in planning and decision making) against its cost (cost vs. benefit).[21] In times of fiscal constraint, organizations often cut research budgets. What is implied in such actions is that the information generated from research is not valuable enough to offset its cost. As a result, organizational decision making and planning often suffer because of the research budget cuts.

To justify the cost of research before a project is undertaken an informal research project which utilizes past research (organization and/or public) should be undertaken. This informal project should either answer the question it is facing or help to establish the value of the information required. If the informal project failed to provide a sufficient, timely and clear answer, a formal research project must be considered. The cost of the formal research project should be established and compared with the estimated value of the decision that is to be made. In effect a cost-benefit analysis should be conducted to determine if further research should be conducted.

4. Problems, Opportunities and Gap Analysis

Opportunities are gaps that you have the resources to close. Gap analysis asks what you are currently doing vs. what you, your customers, suppliers, granting agency and other publics would like you to do. Refinements of this form of analysis can take the form of asking you to contrast your perceptions of what you are currently doing with the perceptions of what your clients, employees, or some other public think you are doing. Gap analysis not only gives direction to your development activities but also indicates where you need to provide better information to your employees and publics about your activities. This information can help you develop both

internal and external communication programs and improve your courses and delivery systems.

E. Objectives and Plans:

Once you have the information that is needed to evaluate your situation, you should set your objectives and start the planning process.

1. Objectives Provide: A Past, Present and Future

   i. Direction (a general heading).
   ii. Focus over time (keeps you on course).
   iii. An evaluation point(s). (Tell you when you arrived in port and in what condition).
   iv. Establish what type(s) of data need to be collected and converted into information to conduct the evaluation. (This means you must be prepared to collect data and analyze it on an ongoing basis).

2. Objectives Should Be:

   i. As clearly stated and as specific as possible,
   ii. Stated in terms of both absolute numbers and in relative terms. When dealing with sales objectives they should also be set in terms of units of product to be sold.
   iii. Have a specific time dimension (firm date for material production, promotion, course term).
   iv. Stated in terms understandable to the entire organization.
   v. As soon as possible assign resources (budget) and review your tentative objectives for constraint sensitivity. This action of assigning time and resources begins the Planning Process.

3. Plans (Thinking About How to Get Your Job(s) Done)

   i. Plans must have both a time and resource dimension.

ii. They should consider:
   a. product-market maintenance.
   b. new product introduction and new market development.
   c. deleting courses and services.
   d. integration of the plans into your organization. (If possible do not make them person oriented.)

iii. Consider the impact of the changes caused by your plans. (Can you produce and deliver the products to the people who either distribute them and/or can or will use them, even though you have made significant changes in your product and/or your current operations?).

iv. Control and evaluation should be built into your plans. You should have a mechanism to capture the data that you will convert into information with which to keep both the plan on track (control) and evaluate its results.

III. CONCLUSIONS AND SUMMARY

A. CONCLUSIONS

Based on the information gathered for this paper it appears that Distance Education in the 1980s and 1990s will:

1. Continue to Grow Very Rapidly.

2. Suffer Supply and Demand Imbalances, because of:

   i. funding restrictions,
   ii. high student demand, especially for job and retraining related courses and programs,
   iii. relatively high demand for remedial programs, especially in reading,
   iv. a growing demand from special segments of society, often with special needs, physical handicaps, reduced learning capacity and limited official language skills, and

v. item iv., which will engender special course and program development projects which may require substantial teaching, market and delivery research to support the development work.

3. Need to Market and Service Programs and Courses Better to reduce the supply and demand imbalances (enhanced distribution of program and course information, especially for students with special needs, improved delivery systems and improved service for the growing numbers of students).

4. See Students That are Both More Sophisticated and Vocal. This will require continued course and delivery improvement and public relations efforts.

The more vocal and sophisticated students can be a valuable resource if mobilized to work for improved funding. This point requires improved student marketing-public relations programs and should use techniques developed by marketing communicators.

5. See the Technology of Production for course materials and course delivery continue to improve. Short-run cash drains can result when the old technology is replaced. Reserves should be established for the replacement of old equipment and/or granting agencies should be made aware of this rapidly changing technology and its cost,

6. See Pressures on Funding, because of growth, and changing technology which will force management to make more effective use of its human, equipment, and monetary resources,

i. Therefore, managers will be required to have a better understanding of their clients and many publics. This indicates that the managers of distance education will need to find additional funds to support learning, delivery and marketing research as well as product research and experimentation. This may require managers to look for new sources of funding.

ii. These changes will require professional managers as well as professional educators.

7. See Continued Changes in Your External Environment (especially in your clients) as discussed in this and other papers.[22] These changes can occur at an even faster rate brought on partly by the rapid growth of distance education. This will, in turn, increase the need for well-trained professional management personnel,

8. Find the Traditional Educational Setting Continuing to Change because of funding pressures, changes in teaching practices, new technology, changes in personnel practices and institutional changes which will force distance education producers into providing new programs and new courses, under new conditions and,

9. FINALLY the funding pressures, coupled with the public outcry for quality in education, plus the challenges of the 1980s and 1990s will force (perhaps at the insistance of granting agencies) increased accountability for distance education programs, courses and personnel.

So, as operations become more complex and sophisticated, managers must retain their ability to THINK and to use common sense in their complex, ever changing environment.

B. IN SUMMARY

Growth brings increased visability and new opportunities partly because of the need to expand your course capacity. Yet growth in a recessionary period also puts pressures on personnel, equipment and funding. As well, a recessionary period puts extreme pressures on many of your clients and your funding agents.

Client changes have increased the demand for flexible delivery, special programs and courses and the need to better understand your clients and yourselves. These pressures on distance education are also increasing the need for more effective use of your resources. This is going to force

increased accountability on your organizations which, in turn, will force you to look for ways to improve your effectiveness and efficiency.

To meet the challenges discussed in this paper, distance education is being provided with an opportunity to improve its effectiveness through the use of creative marketing philosophy, research and experimentation. Creative management can bring more efficient use of your resources and expanded research can lead to a better understanding of your clients and publics, which should improve your courses, delivery systems and client satisfaction. It is also imperative that these research findings be used to support funding requests so that the funding agencies can understand, appreciate and anticipate the changes that are occuring in your environment.

Improving technology, educational research, marketing philosophy and research used by creative managers can assure distance educators they will successfully meet the challenges of the 1980's and 1990's discussed in this paper. But, these challenges and opportunities do require educators to recognize the need for a mix of educational, marketing and management skills so that their clients can be served and their industry continue to grow. If this need is recognized and the mix achieved the FUTURE IS BRIGHT, even in your changing complex environment.

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